



**BUSINESS, ECONOMIC DEVELOPMENT, AND LABOR
APPROPRIATIONS SUBCOMMITTEE: OCTOBER 17, 2013
INTERIM MEETING AGENDA SUPPLEMENTAL**

BUSINESS, ECONOMIC DEVELOPMENT, AND LABOR APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

This issue brief provides supplemental information and links for study and review of agenda items on the Business, Economic Development, and Labor Appropriations (BEDL) Subcommittee's October 17, 2013 interim meeting agenda.

AGENDA ITEM 3: USTAR ANNUAL REPORT TO BEDL

Objectives and Duties Outlined in UCA 63M-2-302, Annual Expenditures, Nonlapsing Balances

UCA 63M-2-302(4) requires the USTAR Governing Authority to report to BEDL and to the Executive Appropriations Committee by November 1 of each year on:

- 1) The achievement of the objectives and duties provided under UCA 63M-2-302;
- 2) Annual expenditure of funds; and
- 3) Nonlapsing balances retained.

A sample of these objectives and duties are summarized below:

- Ensure appropriations from the Legislature are used appropriately, effectively, and efficiently...
- Ensure USTAR is not duplicating existing state or local economic development plans...
- Make rules for allocating appropriations to research teams...
- Monitor all research plans to ensure that appropriations from the Legislature are being spent according to legislative intent...

Please use the following link for review of the objectives and duties of the USTAR Governing Authority and its executive director in their entirety:

[Governing Authority Powers](#)

Report-items Required by Intent Language from 2013 General Session

The 2013 General Session intent language is included below:

The Legislature intends that USTAR's annual statutorily required report to the Businesses, Economic Development, and Labor Subcommittee and to the Executive Appropriations Committee, shall include the following information henceforth, beginning with its FY 2014 report:

- 1) A report detailing specific program-level performance measures for research teams at each participating university, and for the technology outreach program at each regional location. The outcomes of these performance measures shall be included, and historical outcomes should be included as data becomes available;*
- 2) a report detailing research team expenditures at each participating university. This portion of the report shall include total expenditures by research team by fiscal year, as well as total expenditures by research team by area of expenditure;*
- 3) a report detailing nonlapsing balances, including but not limited to: source(s) of nonlapsing balances, and planned usage of nonlapsing balances;*
- 4) a report detailing federal grants awarded to university research teams, cumulatively and also the total amount for the most recent fiscal year;*

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- 5) a report detailing the private equity investment in USTAR programs both cumulatively and also the total amount for the most recent fiscal year; and
- 6) a report detailing any other forms of funding received by USTAR programs, broken down by fiscal year with cumulative totals as well as totals for the most recent fiscal year.

AGENDA ITEM 4: FOLLOW-UP ON USTAR O&M ISSUES

Status of Memorandums of Understanding with Universities

During the 2013 General Session, operations and maintenance (O&M) issues with USTAR research buildings located on the campuses of the University of Utah and Utah State University were highlighted in the issue brief [*USTAR Budget Issues for FY 2014*](#) (O&M discussion begins on page 2). A primary factor in these O&M issues is the fact that no lease agreements exist between USTAR and the universities to clarify who is responsible for the payment of O&M for the buildings.

At the printing of the issue brief mentioned above, USTAR reported that they had committed to the Office of the State Auditor, that memorandums of understanding (MOU) would be drafted and in place with the universities by March of 2013.

What is the current status of the MOUs? What progress has been made in discussions about the payment of O&M of USTAR buildings?

AGENDA ITEM 5: FOLLOW-UP ON USTAR SALARY TAIL ISSUES

During the 2013 General Session, salary tail issues were highlighted, and greater detail of this issue is available, in the issue brief referenced above (beginning on the bottom of page 3). At issue is the long-term salary commitment that has been promised to a number of researchers and the expected payment from USTAR General Fund appropriations.

What is the status of these salary tail commitments? How much money has been promised? How many researchers have long-term commitments been made to?

CONCLUSION

The purpose of this issue brief is to provide a synopsis of the agenda items and issues presented during BEDL's October 17, 2013 interim meeting. It also summarizes other sources of information available to the committee and to the public for their research and study of USTAR budget issues.